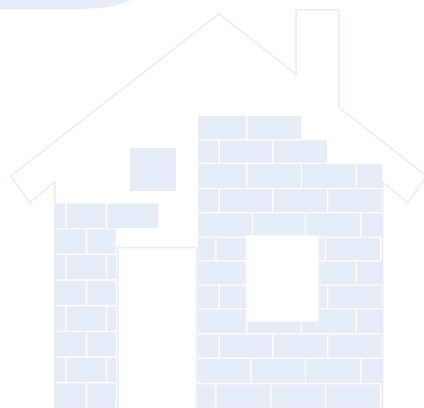
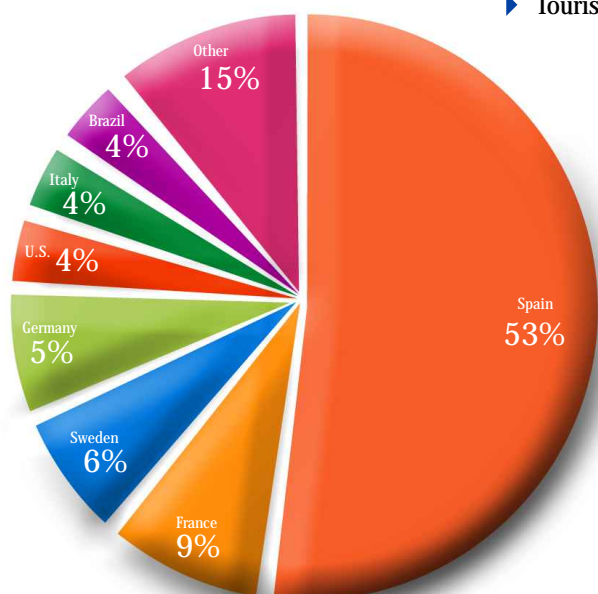


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## U.S. Position

▶ The U.S. has invested US\$34.9 million in the Chilean construction sector between 1974 and 2004, accounting for 3% of the sector's total foreign investment. Some U.S. companies are currently participating in public bids, while others have opened factories in Chile. Sidings, coverings, and coatings are the top U.S. imports. The U.S. has no significant local presence in construction services.



## Market Overview

- ▶ Chile's construction machinery and equipment total market size is US\$350 million. Local production is US\$50 million and imports are US\$300 million, of which US\$150 million are from the U.S.
- ▶ Infrastructure and urban development concessions in Chile totaled US\$4.6 billion from 2001 to 2003. For 2004, new concessioned projects were approved for a total of US\$ 0.9 billion.
- ▶ The construction industry projected growth for 2005 would be around 20%.
- ▶ According to the Chilean Construction Chamber estimates, the sector generated close to 30,000 new jobs in 2004.
- ▶ The MOPITT (Public Infrastructure, Telecommunications and Transport Ministry) has a project investment portfolio of US\$917 million in public infrastructure projects that will publicly bid during 2005. It is estimated that the budget for 2006 will be very similar.

## Competitors

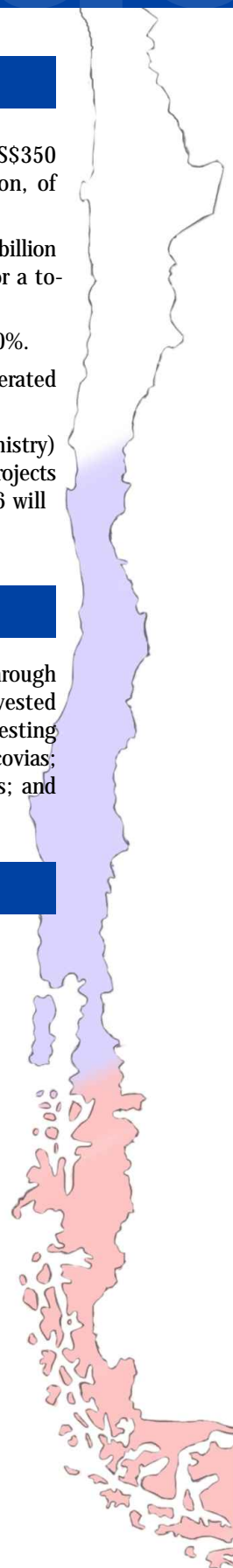
▶ European, mainly Spanish, companies dominate this market primarily through public projects concessioned to private consortiums (e.g. US\$5 billion invested in infrastructure projects). Some of the main multinational companies investing in Chile through concessions are: Spain's Cintra, Sacyr, ACS, Dragados and Ecovias; Italy's Impregilo; France's GTM and Alstom; Canada's YVR Airport Services; and Sweden's Skanska.

## Principal Sub Sectors

- ▶ Real-estate market: new houses and apartments in Santiago
- ▶ Building materials market
- ▶ Concessioned infrastructure projects
- ▶ Tourism (resorts, fishing lodges etc.)

**Foreign Direct Investment  
in Chile's Construction  
Sector (1974-2004)**  
Total: US\$1.4 billion

Source: Chilean Foreign Investment Committee



## Commercial Opportunities

► Sustained economic growth, an orientation towards U.S. construction standards, and expanding business and infrastructure needs provide a strong base for U.S. construction service providers.

► Key infrastructure projects:

- Airports: US\$250 million (Temuco, Copiapó, Tongoycillo, Pudahuel)
- Energy: US\$800 million required per year
- Public transport infrastructure concessions: US\$367 million in Highway Costanera Norte (US\$240 million bond issue); light rail in Santiago (US\$175 million); the underground Metro extension in Santiago (US\$436 million); the Chacao wide span bridge (US\$410 million), among others
- Irrigation system: US\$400 million (dams Convento Viejo, Ancoa and Punilla and Aconcagua Valley irrigable system) in the 2003-2004 period

► Public bids:

	Projects up for bidding in 2005	Investment (US\$ Million)
1	Punilla Dam	190
2	Hospital Salvador-Infante	80
3	Trans Andean Railway (*)	70
4	Route 66 - Fruit Highway	64
5	Route 160 - Concepcion-Coronel	61
6	New Prisons	60
7	Ancoa's Dam	46
8	Transantiago Transfer Stations	40
9	El Bato Dam	37
10	Car Impounding Facilities	26
11	Road System X Region	20
12	Highway Melipilla-Fruit Road (*)	19
13	Puerto Natales Port and Navigation Route "Paso Kirke" Improvement (*)	10
14	Antofagasta's shore road "Playa El Carboncillo"	8
15	Rio Maipo's Bridge Santa Rita de Pirque (*)	3

(\*) Projects funded by the private sector. Source: Public Works Concession's Unit.

## Other Resources

- U.S. Department of Commerce ACE Team Leader: Raj Dheer: [raj.dheer@mail.doc.gov](mailto:raj.dheer@mail.doc.gov)
- Chilean Construction Chamber: [www.cchc.cl](http://www.cchc.cl)
- MOPTT (Public Infrastructure, Telecommunications and Transport Ministry): [www.moptt.cl](http://www.moptt.cl)
- Ministry of Housing and Urbanization: [www.minvu.cl](http://www.minvu.cl)
- Concessions: [www.concesioneschile.cl/web\\_ingles/pag\\_flash.htm](http://www.concesioneschile.cl/web_ingles/pag_flash.htm)

### CONTACT US

We hope that you find this information useful. If you would like further information, please contact Carlos.Capurro@mail.doc.gov, the CS Santiago Construction, Architecture and Engineering Services Specialist. Visit our website ([www.buyusa.gov/chile](http://www.buyusa.gov/chile)) to discover other commercial opportunities in Chile. (January, 2004)

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